

7436H

BINGHAM, DANA & GOULD

100 FEDERAL STREET
BOSTON, MASSACHUSETTS 02110

TELEPHONE: (617) 357-9300
TELEX: 275147 BDGBSN UR
CABLE ADDRESS: BLDGHAM BSN
TELECOPY: (617) 542-0036

REGISTRATION NO. 15036
Filed 1425

AUG 27 1986 12 15 PM

INTERSTATE COMMERCE COMMISSION

WASHINGTON OFFICE:

SUITE 400
1724 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D. C. 20036
TELEPHONE: (202) 822-9320
TELECOPY: (202) 833-1506

ROUTE 128 OFFICE:

BAY COLONY CORPORATE CENTER
950 WINTER STREET
WALTHAM, MASSACHUSETTS 02154
TELEPHONE: (617) 890-0922
TELECOPY: (617) 890-0955

CAPE COD OFFICE:

901 MAIN STREET
OSTERVILLE, MASSACHUSETTS 02655
TELEPHONE: (617) 428-4000
TELEX: 940661 CROWLEY OSTV
TELECOPY: (617) 428-1900

EUROPEAN OFFICE:

5 CHEAPSIDE
LONDON EC2V 6AA
TELEPHONE: 01-236-2182
TELEX: 888179
CABLE ADDRESS: "BDGLDN G"
TELECOPY: 01-236-7485

August 27, 1986

6 239A041

No.

AUG 27 1986

Date

Fee \$..10.00.....

ICC Washington, D. C.

Interstate Commerce Commission
Room 2303
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Attention: Ms. Mildred Lee

Ladies and Gentlemen:

Enclosed for filing with the Commission pursuant to Section 11303 of Title 49 of the U.S. Code are two executed and notarized copies of the document described below.

This document is a Security Agreement, a primary document dated as of August 27, 1986, between Paducah & Louisville Railway, Inc., as the debtor, and The First National Bank of Boston as Collateral Agent for itself and other lenders, as the secured party, covering the debtor's rolling stock and all other properties and rights of the debtor. Descriptions of the rolling stock are attached to the Security Agreement as Schedule III.

The names and addresses of the parties to the Security Agreement are as follows. The debtor is Paducah & Louisville Railway, Inc., whose chief executive office is located at 1500 Kentucky Avenue, Paducah, Kentucky 42001. The secured party is The First National Bank of Boston as Agent, whose head office is located at 100 Federal Street, Boston, Massachusetts 02110.

Included in the property covered by the aforesaid Security Agreement are railroad cars, locomotives and other

AUG 27 12 06 PM '86
MOTOR CARRIER UNIT

ICC OFFICE OF
THE SECRETARY

Counterparts C.T. Kandler

BINGHAM, DANA & GOULD

Interstate Commerce Commission
August 27, 1986
Page 2

rolling stock intended for use related to interstate commerce, or interests therein, owned and leased by Paducah & Louisville Railway, Inc. as of the date of said Security Agreement or thereafter required by it or its successors.

A short summary of the document to appear in the index is as follows:

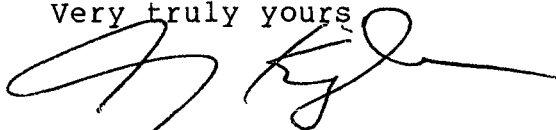
"A Security Agreement, dated as of August 27, 1986, between Paducah & Louisville Railway, Inc., as the debtor, and The First National Bank of Boston as Collateral Agent for itself and other lenders, as the secured party, covering the debtor's rolling stock and all other properties and rights of the debtor. Descriptions of the rolling stock are attached to the Security Agreement as Schedule III."

Also enclosed is a check in the amount of \$10.00, payable to the Interstate Commerce Commission, to cover the recording fee prescribed by the Commission in its rules and regulations.

Would you please acknowledge receipt of the enclosed documents at your earliest convenience by stamping and returning to the undersigned, in the enclosed, self-addressed, stamped envelope, one of the Security Agreements, along with the duplicate copy of this letter of transmittal.

If you have any questions with respect to the enclosed documents, please call the undersigned, collect, at (617) 357-9300.

Very truly yours



Amy L. Kyle

ALK
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

8/27/86

Amy L. Kyle
100 Federal Street
Boston, Massachusetts 02110

Dear

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/27/86 at 12:15 P.M. , and assigned recordation number(s). 15036

Sincerely yours,

Noreta R. McGee
Secretary

Enclosure(s)

SE-30
(7/79)

15036

RECORDATION NO. _____ Filed 1425

AUG 27 1986 12 15 PM

SECURITY AGREEMENT
INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT dated as of August 27, 1986, by and among Paducah and Louisville Railway, Inc., a Kentucky corporation (the Company), and THE FIRST NATIONAL BANK OF BOSTON as collateral agent (the Collateral Agent) for itself and the banks which are or may become parties to a certain Revolving Credit and Term Loan Agreement, dated as of August 27, 1986, among the Company, the Collateral Agent and such banks (such banks are individually referred to herein as a Secured Party and collectively referred to herein as the Secured Parties).

§1. GRANT OF SECURITY INTEREST, ETC. The Company hereby pledges and assigns to the Collateral Agent for the benefit of the Secured Parties and grants to the Collateral Agent for the benefit of the Secured Parties, a continuing security interest in and lien on, all properties, assets and rights of the Company of every kind and nature, wherever located, now owned or hereafter acquired or arising, and all proceeds and products thereof, including without limiting the generality of the foregoing, all goods, accounts, including all accounts receivable, contract rights, including without limitation all rights of the Company under the Purchase Agreement, Box Car Purchase Agreement, Locomotive Purchase Agreement, Caboose Purchase Agreement, Preferential Routing and Solicitation Agreement, Car Assignment and Sale Agreement - Open Top Hoppers, Assignment, Interchange Agreement, Agreement on Divisions and Rates, Agreement on Car Hire Charges, and Terminal Service Agreement, each dated as of February 25, 1986 by and between CG&T Industries, Inc. (and assigned to the Company and VMV Enterprises, Inc.) and Illinois Central Gulf Railroad Company, and the related Inventory Agreement, Haulage Agreement, Locomotive Component Agreement, Freight Car Agreement, Voice Channel Agreement, Run Through Agreement, Rate and Allowance Agreement, Additional Box Car and Locomotive Agreement, Crossing Agreement, TBT Agreement, Car Assignment Agreement - Open Top Hoppers, Car Assignment Agreement - Gondolas, Car Assignment Agreement - Covered Hoppers, Dispatching Agreement, Intermodal Agreement - Paducah, Transportation Agreement, all rights of the Company under any agreements with other operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax

refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Company's operating certificate from the Interstate Commerce Commission, securities, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, books and records, furniture, fixtures, rolling stock, including but not limited to locomotives, cabooses, bulkhead flat cars, boxcars, open top hopper cars, woodrack cars, covered hopper cars, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas (all such properties, assets and rights hereinafter sometimes called, collectively, the Collateral). Certain of the Company's maintenance of way equipment is more particularly described on Schedule I attached hereto.

§2. OBLIGATIONS SECURED. The Collateral hereunder constitutes and will constitute continuing security for all the obligations of the Company to the Secured Parties and any institutional lender who becomes a participant in or holder of any of the obligations comprising the Obligations (as defined below), now existing or hereafter arising, direct or indirect, absolute or contingent, due or to become due, matured or unmatured, liquidated or unliquidated, arising by contract, operation of law or otherwise, including without limitation, all obligations now existing or hereafter arising under the Revolving Credit and Term Loan Agreement dated as of August 27, 1986, among the Company VMV Enterprises, Inc., the Revolving Credit Agent, the Collateral Agent, and the Secured Parties (the Loan Agreement), under the promissory notes executed and delivered by the Company and VMV Enterprises, Inc. to the Secured Parties in the aggregate principal amount of \$70,000,000, in each case as such instrument is originally executed on the date hereof or as modified, amended, supplemented or extended, and all obligations of the Company to the Secured Parties, arising out of any extension, refinancing or refunding of any of the foregoing obligations (hereinafter collectively referred to as the Obligations).

§3. PRO RATA SECURITY, APPLICATION OF PROCEEDS OF COLLATERAL. All amounts owing with respect to the Obligations shall be secured pro rata by the Collateral without distinction as to whether some Obligations are then due and payable and other Obligations are not then due and payable. Upon any realization upon the Collateral by the Collateral Agent or any Secured Party, whether by receipt of insurance proceeds pursuant to §5(f) or upon foreclosure and

sale of all or part of the Collateral pursuant to §8 or otherwise, the Company and the Secured Parties agree that the proceeds thereof shall be applied (i) first, to the payment of expenses incurred with respect to maintenance and protection of the Collateral pursuant to §5 and of expenses incurred pursuant to §13 with respect to the sale of or realization upon, any of the Collateral or the perfection, enforcement or protection of the rights of the Secured Parties (including reasonable attorney's fees and expenses of every kind, including without limitation reasonable allocated costs of staff counsel); (ii) second, equally and ratably to all amounts of interest, expenses and fees outstanding which constitute the Obligations, according to the aggregate amounts thereof owing to each Secured Party, on the date on which the Collateral Agent receives a request from the Majority Banks (as defined in the Loan Agreement) to commence action under §8 hereof to enforce the security interests granted hereunder (the Notice Date), (iii) third, equally and ratably to all amounts of principal outstanding under the Obligations according to the aggregate amounts thereof owing to each Secured Party on the Notice Date and (iv) fourth, any excess, after payment in full of all of the Obligations, shall be returned to the Company. Proceeds applied to the payment of the Obligations shall be applied first to interest, expenses and fees due with respect to the Obligations and then to the principal amounts of the Obligations. The Company and the Secured Parties agree that all amounts received with respect to any of the Obligations subsequent to the Notice Date, whether by realization on the Collateral or otherwise, shall be applied to the payment of the Obligations in accordance with the provisions of this §3.

§4. PRO RATA SHARING OF PAYMENTS IN CERTAIN EVENTS. The Company and the Secured Parties agree that upon the occurrence and continuance of a default by either Company (as defined in the Loan Agreement) in payment of any of the Obligations, whether or not the Obligations shall have been accelerated as a consequence thereof, the Secured Party which has failed to receive the payment due (the Defaulted Party) may, by notice in writing to the other Secured Parties (a Sharing Notice), declare that a "Sharing Event" has occurred. The Company and the Secured Parties agree that any payments received by any Secured Party from either Company or from any other source whatsoever, on or after the date any Sharing Notice is received, shall be shared by the Secured Parties on a pro rata basis based on the total amount of Obligations outstanding on the date such Sharing Notice is given; provided, however, that if such payment default is cured prior to acceleration of the Companies' Obligations to the Defaulted Party, the provisions of this

§4 shall cease to be effective and any payments received by a Secured Party thereafter may be applied to the Obligations in accordance with the terms thereof. Each Secured Party agrees with the other Secured Parties that if during the continuance of any Sharing Event, such Secured Party shall receive from the Company or from any other source whatsoever, any amount which is in excess of its pro rata share of the payments received by all of the Secured Parties, then such Secured Party will make such disposition and arrangements with the other Secured Parties with respect to such excess, either by way of distribution until the amount of such excess has been exhausted, assignment of claims, subrogation, purchase of participation or otherwise, as shall result in each Secured Party receiving in respect of its Obligations its ratable share of all such payments; provided, however, that if all or any part of such excess payment is thereafter recovered from such Secured Party, such disposition and arrangements shall be rescinded and the amount restored to the extent of such recovery, but without interest.

§5. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

(a) Real Property. The Company represents to the Secured Parties that the real property listed on Schedule II hereto constitutes all of the real property which the Company owns or leases. The Company agrees to notify the Collateral Agent of any other real property which the Company may hereafter acquire or lease. The Company agrees that it will execute and deliver to the Collateral Agent for the benefit of the Secured Parties mortgages and other instruments, as referred to in paragraph (h) below of this §5, and file the same in the appropriate recording offices with respect to the real property listed on Schedule II hereto and at such times as any mortgagable right, title or interest is acquired in the future by the Company in any other real property. All such mortgages and other instruments shall secure all of the Obligations pro rata and shall be on terms and conditions satisfactory to the Collateral Agent as evidenced by its written consent thereto.

(b) Rolling Stock. The Company represents to the Secured Parties that the Rolling Stock (as defined in this §5(b)) listed on Schedule III hereto constitutes all of the Rolling Stock which the Company owns or leases. The Company agrees not to change any markings or serial numbers on any of the Rolling Stock listed on Schedule III until after the Company has given notice

in writing to the Collateral Agent of its intention to make such change. The Company agrees to notify the Collateral Agent of any other Rolling Stock which the Company may hereafter acquire or lease. The Company agrees that it will execute and deliver to the Collateral Agent for the benefit of the Secured Parties supplemental security agreements and other instruments, as referred to in paragraph (h) below of this §5, and file the same in the appropriate recording offices (i) with respect to the Rolling Stock listed on Schedule III hereto, (ii) at such times as any assignable right, title or interest is acquired in the future by the Company in any other Rolling Stock and (iii) at such times as any change is made in one or more of the markings or serial numbers on any of the Rolling Stock listed on Schedule III hereto or on any other Rolling Stock owned or leased by the Company. All such supplemental security agreements and other instruments shall secure all of the Obligations pro rata and shall be on terms and conditions satisfactory to the Collateral Agent as evidenced by its written consent thereto. The term "Rolling Stock" as used herein means all rolling stock, including, but not limited to, locomotives, cabooses, bulkhead flat cars, boxcars, woodrack cars, open top hopper cars, covered hopper cars, gondolas and all other rail cars.

(c) Location of Chief Executive Office, etc. The Company represents to the Secured Parties that the location of the Company's chief executive office and the location where the books and records of the Company are kept is at 1500 Kentucky Avenue, Paducah, Kentucky 42001, and that the Company's registered office is at P.O. Box 143, U.S. Highway 62 in Lake City, near Grand Rivers, Kentucky 42045. The Company further represents that attached hereto as Schedule IV is a true and correct list of all localities where property comprising a part of the Collateral (other than interests in real property set forth in Schedule II) is located. The Company agrees that it will not change the location of its chief executive office or the location where its books and records are kept or the location of its registered office without the express written consent of the Collateral Agent and will advise the Collateral Agent as to any change in the location of any property comprising a part of the Collateral.

(d) Ownership of Collateral

(i) The Company represents that it is the owner of the Collateral free from any adverse lien,

security interest or encumbrance, except as permitted by §9.2 of the Loan Agreement.

(ii) Except for the security interests herein granted and except as permitted in §9.2 of the Loan Agreement as originally executed, the Company shall be the owner of the Collateral free of any lien, security interest or encumbrance and the Company shall defend the same against all claims and demands of all persons at any time claiming the same or any interest therein adverse to the Secured Parties. Except as otherwise permitted in §9.2 of the Loan Agreement, the Company shall not pledge, mortgage or create or suffer to exist a security interest in the Collateral in favor of any person other than the Secured Parties.

(e) Sale or Disposition of Collateral. Except as permitted by §9.3 of the Loan Agreement as originally executed, the Company will not sell or offer to sell or otherwise transfer the Collateral or any interest therein except for sales of inventory in the ordinary course of business.

(f) Insurance. The Company shall have and maintain at all times with respect to the Collateral such insurance as is required by the Loan Agreement, such insurance to be payable to the Collateral Agent for the benefit of the Secured Parties and to the Company as their interests may appear. All policies of insurance shall provide for ten (10) days' written minimum cancellation notice to the Collateral Agent. In the event of failure to provide and maintain insurance as herein provided, the Collateral Agent may, at its option, provide such insurance, and the Company hereby promises to pay to the Collateral Agent on demand the amount of any disbursements made by the Collateral Agent for such purpose. The Company shall furnish to the Collateral Agent certificates or other evidence satisfactory to the Collateral Agent of compliance with the foregoing insurance provisions. The Collateral Agent may act as attorney for the Company in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts; and any amounts collected or received under any such policies shall be applied by the Collateral Agent to the Obligations in accordance with the provisions of §3, or at the option of the Collateral Agent, the same may be released to the Company, but such application or release shall not cure or waive any default hereunder

and no amount so released shall be deemed a payment on any Obligation secured hereby.

(g) Maintenance of Collateral. The Company will keep the Collateral in good order and repair for its intended use and will not use the same in violation of law or any policy of insurance thereon. The Collateral Agent may inspect the Collateral at any reasonable time, wherever located. Except as otherwise provided in §8.2 of the Loan Agreement, the Company will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement. In its discretion, the Collateral Agent may discharge taxes and other encumbrances at any time levied or placed on the Collateral which remain unpaid in violation of §9.2 of the Loan Agreement as originally executed, make repairs thereof and pay any necessary filing fees. The Company agrees to reimburse the Collateral Agent on demand for any and all expenditures so made, and until paid the amount thereof shall be a debt secured by the Collateral. The Collateral Agent shall have no obligation to the Company to make any such expenditures, nor shall the making thereof relieve the Company of any default.

(h) Further Assurances By the Company. The Company agrees to execute and deliver to the Collateral Agent for the benefit of the Secured Parties from time to time at its request all documents and instruments, including financing statements, supplemental security agreements, notices of assignments under the United States Assignment of Claims Act and under similar or local statutes and regulations, and to take all action as the Collateral Agent may reasonably deem necessary or proper to perfect or otherwise protect the security interest and lien created hereby.

§6. POWER OF ATTORNEY. The Company acknowledges the Collateral Agent's right, to the extent permitted by applicable law, singly to execute and file financing statements without execution by the Company.

§7. SECURITIES AS COLLATERAL. The Collateral Agent may at any time, at its option, transfer to itself or any nominee any securities constituting Collateral, receive any income thereon and hold such income as additional Collateral or apply it to the Obligations. Regardless of the adequacy of the Collateral or any other security for the Obligations, any deposits or other sums credited by or due from the Collateral Agent to the Company may at any time be applied

to or set off against any of the Obligations. The Collateral Agent and all present and future holders of and participants in the Obligations hereby agree that the amount of any such set off shall be applied as provided in Sections 3 and 4 hereof.

§8. REMEDIES. Upon the occurrence of any Default or Event of Default as defined in the Loan Agreement (whether or not any acceleration of the maturity of the amounts due in respect of any of the Obligations shall have occurred), to the fullest extent permitted by applicable law:

(a) The Collateral Agent shall have, in addition to all other rights and remedies given it by any instrument or other agreement evidencing, or executed and delivered in connection with, any of the Obligations and otherwise allowed by law, the rights of a secured party under the Uniform Commercial Code as in effect in the Commonwealth of Kentucky, and the rights and remedies of a secured party holding a security interest in collateral pursuant to the Interstate Commerce Act of 1887, as amended, and without limiting the generality of the foregoing, the Collateral Agent shall, upon the written instruction of the Majority Banks, immediately, without (to the fullest extent permitted by law) demand of performance or advertisement or notice of intention to sell or of time or place of sale or of redemption or other notice or demand whatsoever, (except that the Collateral Agent shall give to the Secured Parties and the Company at least five Bank Business Days (as defined in the Loan Agreement) notice of the time and place of any proposed sale or other disposition), all of which are hereby expressly waived to the fullest extent permitted by law, sell at public or private sale or otherwise realize upon, in the City of Boston, Massachusetts, or elsewhere, the whole or from time to time any part of the Collateral in or upon which the Collateral Agent shall have a security interest or lien hereunder, or any interest which the Company may have therein, and after deducting from the proceeds of sale or other disposition of the Collateral all expenses (including all reasonable expenses for legal services, including without limitation reasonable allocated costs of staff counsel) as provided in §13, shall apply the residue of such proceeds toward the payment of the Obligations in accordance with §3 of this Security Agreement, the Company remaining liable for any deficiency remaining unpaid after such application. If notice of any sale or other disposition is required by law to be given to

the Company or any Secured Party, each of the Company and the Secured Parties hereby agrees that a notice given as hereinbefore provided shall be reasonable notice of such sale or other disposition. The Company also agrees to assemble the Collateral at such place or places as the Collateral Agent reasonably designates by written notice. At any such sale or other disposition any Secured Party may itself, and any other person or entity owed any Obligation may itself, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Company, which right is hereby waived and released to the fullest extent permitted by law. The Secured Parties agree with each other that so long as any Obligation remains outstanding, none of the Secured Parties nor any other holder of any of the Obligations or the Company's Subordinated Note of the Company and VMV Enterprises, Inc. shall have any right to bid for the Collateral being sold at any sale pursuant to this §8(a) with any part of the Obligations or the Subordinated Note, as applicable, and the Collateral Agent and the Company shall have no obligation to accept any such bid.

(b) Furthermore, without limiting the generality of any of the rights and remedies conferred upon the Collateral Agent under §8(a) hereof, the Collateral Agent to the fullest extent permitted by law, shall upon the written instruction of the Majority Banks enter upon the premises of the Company, exclude the Company therefrom and take immediate possession of the Collateral, either personally or by means of a receiver appointed by a court therefor, using all necessary force to do so, and may, at its option, use, operate, manage and control the Collateral in any lawful manner and may collect and receive all rents, income, revenue, earnings, issues and profits therefrom, and may maintain, repair, renovate, alter or remove the Collateral as the Collateral Agent may determine in its discretion, and any such monies so collected or received by the Collateral Agent shall be applied to, or may be accumulated for application upon, the Obligations in accordance with §3 of this Agreement.

The Collateral Agent agrees that it will give notice to the Company and the Secured Parties of any enforcement action taken by it pursuant to this §8 promptly after commencing such action.

§9. SECURED PARTIES; OTHER COLLATERAL. The Secured Parties agree that all of the provisions of this Agreement, to the extent that they relate to the relative rights, duties and privileges of the Secured Parties and the Collateral Agent, including without limitation the provisions of §§3 and 8 hereof, shall apply to any and all properties, assets and rights of the Company in which the Collateral Agent, at any time acquires, pursuant to the Security Documents, as defined in the Loan Agreement (the Security Documents), a security interest or lien, including without limitation, real property or rights in, on or over real property, notwithstanding any provision to the contrary in any mortgage, leasehold mortgage or other document, including without limitation, the Mortgages (as defined in the Loan Agreement), purporting to grant or perfect any lien in favor of the Secured Parties or any of them or the Collateral Agent for the benefit of the Secured Parties. The Secured Parties further agree that all of the provisions of this Agreement, to the extent that they relate to the relative rights, duties and privileges of the Secured Parties and the Collateral Agent, shall apply to any and all properties, assets and rights pledged by CG&T Industries, Inc. to the Agent pursuant to the Pledge Agreement, dated as of August 27, 1986 by and among CG&T Industries, Inc., the Secured Parties and the Collateral Agent, as Pledgee, and any and all such properties, assets and rights shall be deemed to be "Collateral" for all purposes of this Agreement.

§10. MARSHALLING. The Collateral Agent shall not be required to marshal any present or future security for (including but not limited to this Agreement and the Collateral subject to the security interest created hereby), or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of its rights hereunder and in respect of such securities and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Company hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Collateral Agent's rights under this Agreement or under any other instrument evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or guaranteed, and to the extent that it lawfully may the Company hereby irrevocably waives the benefits of all such laws.

§11. COMPANY'S OBLIGATIONS NOT AFFECTED. To the extent permitted by law, the obligations of the Company under this Security Agreement shall remain in full force and effect without regard to, and shall not be impaired by (a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of the Company, to the extent permitted by law; (b) any exercise or nonexercise, or any waiver, by the Collateral Agent of any right, remedy, power or privilege under or in respect of any of the Obligations or any security therefor (including this Agreement); (c) any amendment to or modification of this Agreement or any instrument evidencing any of the Obligations or pursuant to which any of them were issued; (d) any amendment to or modification of any instrument or agreement (other than this Agreement) securing any of the Obligations; or (e) the taking of additional security for or any guaranty of any of the Obligations or the release or discharge or termination of any security or guaranty for any of the Obligations; and whether or not the Company shall have notice or knowledge of any of the foregoing.

§12. NO WAIVER. No failure on the part of the Collateral Agent to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Collateral Agent of any right, remedy or power hereunder preclude any other or future exercise of any other right, remedy or power. Each and every right, remedy and power hereby granted to the Collateral Agent, the Secured Parties or the future holders of any of the Obligations or allowed to any of them by law or other agreement, including, without limitation, the Loan Agreement, the Notes, or any other Security Document, shall be cumulative and not exclusive of any other, and, subject to the provisions of this Agreement, may be exercised by the Collateral Agent, the Secured Parties or the future holders of any of the Obligations from time to time.

§13. EXPENSES. The Company agrees to pay, on demand, all reasonable costs and expenses (including reasonable attorneys' fees and expenses for legal services of every kind, including without limitation reasonable allocated costs of staff counsel) of the Collateral Agent incidental to the sale of, or realization upon, any of the Collateral or in any way relating to the perfection, enforcement or protection of the rights of the Collateral Agent hereunder; and the Collateral Agent may at any time apply to the payment of all such costs and expenses all monies of the Company or other proceeds arising from its possession or disposition of all or any portion of the Collateral.

§14. CONSENTS, AMENDMENTS, WAIVERS, ETC. Any term of this Agreement may be amended, and the performance or observance by the Company of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument signed by the Company and the Secured Parties.

§15. GOVERNING LAW. Except as otherwise required by the laws of any jurisdiction in which any Collateral is located, this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

§16. PARTIES IN INTEREST. All terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto including without limitation, any future holder of the Notes and any institutional lender who becomes a participant in or holder of any of the Obligations, by amendment to the Loan Agreement or otherwise, provided that the Company may not assign or transfer its rights hereunder without the prior written consent of the Collateral Agent and none of the Secured Parties may assign or transfer its rights hereunder unless the assignee confirms in writing its agreement to be bound by the provisions of this Agreement.

§17. COUNTERPARTS. This Agreement and any amendment hereof may be executed in several counterparts and by each party on a separate counterpart, each of which when so executed and delivered shall be an original, but all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

§18. TERMINATION. Upon payment in full of the Obligations in accordance with their terms, this Agreement shall terminate and the Company shall be entitled to the return, at the Company's expense, of such Collateral in the possession or control of the Collateral Agent as has not theretofore been disposed of pursuant to the provisions hereof. If the Collateral Agent shall resign as Collateral Agent under this Agreement, then a majority of the Secured Parties shall appoint a successor agent whereupon such successor agent shall succeed to the rights, powers and duties of the Collateral Agent hereunder and the former Collateral Agent's rights, powers and duties as Collateral Agent shall terminate. The resigning Collateral Agent shall take such actions, at the Company's expense, as the Majority Banks shall deem reasonably necessary or advisable to

transfer all such rights, powers and duties to the new Collateral Agent.

§19. NOTICES. Except as otherwise expressly provided herein, all notices and other communications made or required to be given pursuant to this Agreement shall be in writing and mailed by United States registered or certified first-class mail, postage pre-paid, or sent by telegraph or telex and confirmed by letter, addressed as follows:

(a) if to the Company, at:

1500 Kentucky Avenue
Paducah, Kentucky 42001
Attention: President

or at such other addresses for notice as the Company shall last have furnished in writing to the Collateral Agent;

(b) if to the Collateral Agent at:

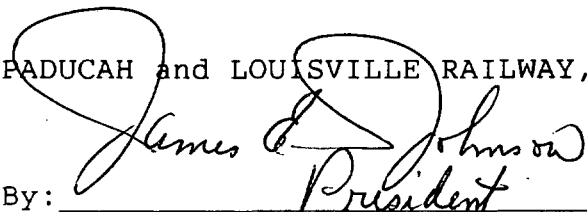
100 Federal Street
Boston, Massachusetts 02110
Attention: Mr. Richard H. Hawkins,
Vice President
Transportation Division

or at such other address for notice as the Collateral Agent shall last have furnished in writing to the person giving the notice.

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (a) if delivered by hand to a responsible officer of the party to which it is directed, at time of the receipt thereof by such officer, (b) if sent by first-class mail, postage pre-paid, the earlier of five business days after the posting thereof or receipt, if received on a business day, or if received on a day which is not a business day, the next business day following receipt.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

PADUCAH and LOUISVILLE RAILWAY, INC.

By: 
Title: President

THE FIRST NATIONAL BANK OF BOSTON,
as Collateral Agent

By:

[Signature]
Title: Vice President

COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON) ss.

On this 26th day of August, 1986, before me personally appeared James E. Johnson, to me personally known, who, being by me duly sworn, says that he is President of Paducah and Louisville Railway, Inc., and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

[Signature]

Notary Public

My commission expires: SEP 27 1987

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this 25th day of August, 1986, before me personally appeared Richard H. Hawkins, to me personally known, who, being by me duly sworn, says that he is Vice President of The First National Bank of Boston, and that he is duly authorized to sign the foregoing instrument on behalf of said banking association, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said banking association.

Latherine M. Cahill
Notary Public

My commission expires: June 10, 1988

SCHEDULE I

MAINTENANCE-OF-WAY MACHINES

<u>Co. No.</u>	<u>Description</u>	<u>Manufacturer</u>	<u>Model</u>	<u>Serial No.</u>
CA 283	Tractor Backhoe	Case	580C	8965719
CA 231	Tractor Backhoe	Case	580B	8755007
	Greasing Equip.			
F 8773	Motor Car	Fairmont	M19H	223352
F 8516	Motor Car	Fairmont	S2H15	201588
F 8442	Motor Car	Fairmont	S2H15	210228
F 8802	Motor Car	Fairmont	A5	224274
F 8356	Motor Car	Fairmont	S2H15	198275
F 8914	Motor Car	Fairmont	M19	229929
F 8392	Motor Car	Fairmont	S2H15	199837
F 8317	Motor Car	Fairmont	A3D	196602
F 8318	Motor Car	Fairmont	A3D	196606
F 8062	Motor Car	Fairmont	A3D1	189672
F 8496	Motor Car	Fairmont	S3H15	201958
F 8681	Motor Car	Fairmont	M19F32	217287
F 8234	Motor Car	Fairmont	S2H15	195540
F 8927	Motor Car	Fairmont	MT19A	231066
F 8750	Motor Car	Fairmont	M9	222760
-	Motor Car		M-19	Horse Branch, K.
F 8789	Motor Car	Fairmont	M19	223977
F 8938	Motor Car	Fairmont	A3E1	232446
-	Motor Car		M-19	Cecilia, KY
F 8751	Motor Car	Fairmont	M9	222763
F 8037	Motor Car	Fairmont	M9G1	188390
F 8059	Motor Car	Fairmont	A3D1	188599
F 8850	Motor Car	Fairmont	M9	225345
F 8566	Motor Car	Fairmont	S2H15	204888
F 8893	Motor Car	Fairmont	M9G212	228594
F 8633	Motor Car	Fairmont	A5	168035
PTD-387	Track Drill	Nordberg	CD	4248
PTD-332	Track Drill	Nordberg	CD	3065
PTD-474	Track Drill	Nordberg	CD	4933
PTD-342	Track Drill	Nordberg	CD	3263
PTD-272	Track Drill	Nordberg	CD	1960
PRS-	Power Rail Saw	Safetran	Calvert City	
PRS-	Power Rail Saw	Safetran	Grand Rivers	
PRS-	Power Rail Saw	Safetran	Princeton	
PRS-470	Power Rail Saw	Safetran		RS839
PRS-478	Power Rail Saw	Safetran	082000X	RS870
PRS-459	Power Rail Saw	Safetran	801004	RS747
PRS-129	Power Rail Saw	Racine	155	R4934
PRS-	Power Rail Saw	Safetran		
PRS-	Power Rail Saw	Racine	155	
PRS-	Power Rail Saw	Safetran	Louisville	

MAINTENANCE-OF-WAY MACHINES

<u>Co. No.</u>	<u>Description</u>	<u>Manufacturer</u>	<u>Model</u>	<u>Serial No.</u>
----------------	--------------------	---------------------	--------------	-------------------

Surfacing Machinery

MT-113	Tamper, Prod. 1908	Tamper	EJG-5	474481512
MT-452	Tamper-Smoothing	Canron	I EAJFLT	677589
MT-351	Switch Tamper	Plasser	07-ICG	486
BRC-6	Regulator	Kershaw	26112	26672

Tie Renewal Machinery

TS-36	Tie Saw	Kershaw	37-1	37-475
TS-42	Tie Saw	Kershaw	37-1	37-523
TS-43	Tie Saw	Kershaw	37-1	37-524
TH-9	Tie Crane	RTW	DV20BP	68459282
TH-10	Tie Crane	RTW	DV20BP	301
SP-102	Spike Puller	Fairmont	W84-H	235177
SP-116	Spike Puller	Fairmont	W84	237707
TBS-14	TieBedScarifier	Fairmont	W87D	233401
PSD-18	Spike Driver	Fairmont	U-96-B-G-1	243458
FTM-30	Tie Inserter	Lang	RLS	19735

Rail Laying Machinery

SP-84	Spike Puller	Fairmont	W84-E	226922
SP-132	Spike Puller	Fairmont	W84-H-1	245975
GM-4	Gaging Machine	NMC	AT	158
TCS-47	Tie Crib Sweeper	RTW	DWDS-4	425
TA-81	Tie Adzer	Nordberg	BZ	3434
SD-122	Spike Driver	Ramapo Ajax	DD4	4156
PBT-205	Bolt Tightener	RAC	C	5278
PBT-239	Bolt Tightener	RAC	C	5972

Welding Equipment

	Thermit Welding Equip. Sets - West Point			
SRP-	Rail Puller		120RPE	
SRP-	Rail Puller		120RPE	
UG-	Utility Grinder			
GG-185	Rail Grinder	Nordberg	DG	7815
EW-109	Electric Welder	Miller	2 DD AC DF	T457427
EW-221	Electric Welder	Belco	F300G	27718A84

Miscellaneous Equipment

PR-36	Burro Crane	Western Cullen	30	391
PR-46	Burro Crane	Western Cullen	40	40-240
HRC-4	Hi-Rail Crane	Bantam	T626	824
D-69	Derrick Car-Hand	Fairmont	W64-A	220588
D-	Derrick Car-Hand			
CR-234	Air Compressor	LeRoi	150RG2-E	265X1240
BC-10	Brush Cutter	RMC		BC-181
HRC-17	Galion Hi-Rail Crane			
WFL-2	Rubber-Tired End Loader			
TH-31	Tie Handler			
PBM-102	Bolt Master			
-	Lo-Boy Trailer			
-	Six bad order Air Dump Cars located at Carbondale			

INVENTORY
Work Equipment Shop
Paducah, Kentucky

1. FL-6 Towmotor 6000 lb. lift truck
2. Drill press, Craftsman, 1/2"
3. Drill press, Power Matic Model 1200 (S/N 65-6308)
4. Bench grinder & pedestal, Black & Decker, 8"
5. Angle sander, Black & Decker
6. Pipe wrench, Ridgid, E-36
7. Box & open-end wrenches, Snap-On, 1-5/8", 1-11/16", 1-3/4", 1-7/8", 1-13/16", 2"
8. Utility drill, Black & Decker, 1/2" reversing
9. Utility drill, Skil Model 545, 1/2"
10. Air impact tool, Chicago Pneumatic, 1/2"
11. Utility drill, Black & Decker Professional Model, 1/2" reversing
12. Utility drill, Black & Decker Heavy Duty, 1/2, 450 RPM
13. Bushing, bearing & seal driver kit, OTC
14. Porta-power, OTC, 20 ton
15. Air impact tool, Chicago Pneumatic, 1-1/2"
16. Adjustable Reamers, Quick-Set, Set No. 45
17. Bolt Extractor Set, Ridgid
18. Tap & Die set, Zelenda Metric Set. No. HSS-45
19. Tap & Die set, Little Giant Set. No. 312
20. Tap & Die set, Greenfield Set. No. 50 NF
21. Fire extinguishers (11 ea.) Ansul Model BC
22. Pipe wrench, Ridgid, 48"
23. Band saw, Wilton Model 3522 (S/N 146583)
24. Parts washer, Graymill Clean-O-Matic
25. Hose machine, Aeroquip No. 03447
26. Hose cut off machine, Baldor
27. Electric impact wrench, Mall Tork Hammer
28. Electric impact tool, Black & Decker, 1/2" drive
29. Utility drill, Sioux, 1/2"
30. Utility drill, Mall, 3/8"
31. Air grinder, large (no manufacturer given)
32. Impact tool, Ingersoll-Rand 65-558, 3/4"
33. Utility drill, 1/2" (no manufacturer given)
34. Socket sets (2 ea) Snap-On & J. H. Williams, 3/4" drive
35. Impact tool, Swench Model 1000 (S/N 92378)
36. Soldering gun kit, Weller
37. Bench grinder, Baldor, 12"
38. Bench vise, Chas. Parker Heavy Duty Model 825
39. Battery charger, Associated Model 6009, 6/12 volt
40. Floor jack, J.E.T. 5 ton
41. Filter buggy for hydraulic oil, G.L.M.
42. Push cart, 2-wheel dolly (no manufacturer given)
43. Shop welder, Miller Model SRH-444 (S/N JA 427717)
44. Shop welder, Hobart, old torpedo type
45. Vise (2 ea), Rock Island 67A, 8"
46. Shop Anvil, Large (no manufacturer given)

47. Utility grinder, Wyco
48. Shop press, O.T.C., 50 ton capacity
49. Drill press, Buffalo Model DM-58, 12 speed
50. Floor jack, Weaver Model WA-75
51. Air greaser, Lincoln (on wheels)
52. Cutting torch (2 ea), Oxweld
53. Engine stand, O.T.C. (w/gearbox)
54. Air compressor (shop), Saylor Bell Model 705, S/N D11536
55. Chain hoist, Yale Eaton, 2 ton, 3 phase electric (like new condition)
56. Steam cleaner, Malsbary Model 250
57. Rail threader (2 ea), new (no manufacturer given)
58. Rail dogs (2 pr), double roller (no manufacturer given)
59. Sander-grinder, Makita 9501-B
60. Torque wrench, Williams, 3/4" drive, 600 Ft-lb., Model HTW-4RCF

By W. D. Ramm
July 3, 1986

CARPENTER SHOP INVENTORY

PADUCAH, KY

1. 8" Planer Edger, Boice Crane	S/N 123
2. 16" Table Saw, J. A. Fay & Egan	S/N F26
3. 16" Planer, Powermatic	S/N 7039
4. 24" Planer, Powermatic	S/N 373787
5. Radial Arm Saw, DeWalt	S/N 210X67
6. Wood Lathe, Mattison	S/N 3478
7. Drill Press, Powermatic	S/N 3S4147
8. Band Saw, Crescent	S/N C-933
9. Drill Press, Greenlee	S/N 54104
10. 8" Bench Grinder, Black & Decker	S/N 859943
11. Planer Sharpener, J. A. Fay & Egan	S/N 597446
12. Band Saw, J. A. Fay & Egan	S/N 1726
13. Wood Lathe, J. A. Fay & Egan	S/N 552
14. Wood Lathe, Peck	S/N 61135
15. 10" Junior Table Saw	S/N None
16. Concrete Block Saw, Clipper	S/N 89252
17. Mortar Mixer, Stone	S/N 140539
18. Table Saw, Greenlee	S/N 429

June 27, 1986

Description of real property only,
omitted.

SCHEDULE III

63 Diesel Locomotives, numbered as follows:

<u>Unit No.</u>	<u>Type</u>	<u>Unit No.</u>	<u>Type</u>
ICG 8008	GP10	ICG 2272	GP30
ICG 8017	GP10	ICG 2276	GP30
ICG 8020	GP10	ICG 2278	GP30
IC 8075	GP10	GMO 603	GP35
ICG 8154	GP10	GMO 610	GP35
IC 8162	GP10	GMO 620	GP35
IC 8183	GP10	GMO 627	GP35
ICG 8189	GP10	GMO 628	GP35
ICG 8209	GP10	GMO 633	GP35
ICG 8213	GP10	GMO 634	GP35
ICG 8229	GP10	GMO 635	GP35
ICG 8237	GP10	GMO 638	GP35
IC 8271	GP10	ICG 2501	GP35
IC 8277	GP10	ICG 2508	GP35
IC 8278	GP10	ICG 2512	GP35
ICG 8279	GP10	ICG 2516	GP35
ICG 8286	GP10	ICG 2519	GP35
ICG 8287	GP10	ICG 2522	GP35
ICG 8300	GP10	ICG 2524	GP35
ICG 8303	GP10	ICG 2534	GP35
ICG 8307	GP10	ICG 2537	GP35
ICG 8351	GP10	ICG 2539	GP35
IC 8357	GP10	IC 1300B	SW13B
IC 8390	GP10	IC 1302	SW13A
GMO 506	GP30	ICG 1303	SW13A
GMO 509	GP30	ICG 1304	SW13A
GMO 510	GP30	ICG 1305	SW13A
GMO 520	GP30	ICG 1306	SW13A
GMO 530	GP30	ICG 1307	SW13A
ICG 2254	GP30	ICG 1308	SW13A
ICG 2257	GP30	ICG 1309	SW13A
ICG 2267	GP30		

TOTAL: 63 Units

50 Bad Order

GMO 055026
GMO 055047
GMO 055048
GMO 055078
GMO 055124
GMO 055249
GMO 055258
GMO 055289
GMO 055307
GMO 055311
GMO 055345
GMO 055349
GMO 055354
GMO 055395
GMO 055423
GMO 055487
GMO 055515
GMO 055531
GMO 055537
GMO 055557
GMO 055584
GMO 055599
GMO 056541
GMO 056553
GMO 056563
GMO 056639
GMO 056640
GMO 056788
GMO 056865
GMO 056893
GMO 056897
GMO 056945
GMO 056998
GMO 057100
GMO 057132
GMO 057142
GMO 057204
GMO 057428
GMO 057435
GMO 057436
GMO 057581
GMO 057786
GMO 057787
GMO 057836
GMO 057841
GMO 057923
GMO 057925
GMO 057928
GMO 057935
GMO 057992

25 Serviceable with Roller Bearings

ICG 560000
ICG 560011
ICG 560012
ICG 560033
ICG 560064
ICG 560084
ICG 560090
ICG 560097
ICG 560110
ICG 560124
ICG 560131
ICG 560138
ICG 560144
ICG 560146
ICG 560158
ICG 560161
ICG 560180
ICG 560182
ICG 560191
ICG 560200
ICG 560231
ICG 560415
ICG 560491
ICG 560593
ICG 560623

TOTAL 75 cars

Exhibit A

30 Cabooses, numbered as follows:

ICG 199352
ICG 199368
ICG 199374
ICG 199396
ICG 199652
ICG 199653
ICG 199654
ICG 199657
ICG 199660
ICG 199662
ICG 199668
ICG 199670
ICG 199671
ICG 199673
ICG 199675
ICG 199676
ICG 199677
ICG 199680
ICG 199682
ICG 199683
ICG 199685
ICG 199688
ICG 199689
ICG 199690
ICG 199691
ICG 199692
ICG 199693
ICG 199695
ICG 199696
ICG 199698

TOTAL: 30 Units

157 100-ton Open-Top Hopper Cars

ICG 363003	ICG 363004	ICG 363006
ICG 363009	ICG 363013	ICG 363014
ICG 363015	ICG 363019	ICG 363023
ICG 363024	ICG 363025	ICG 363026
ICG 363028	ICG 363029	ICG 363037
ICG 363039	ICG 363041	ICG 363043
ICG 363045	ICG 363049	ICG 363052
ICG 363057	ICG 363058	ICG 363059
ICG 363063	ICG 363068	ICG 363069
ICG 363072	ICG 363075	ICG 363079
ICG 363080	ICG 363081	ICG 363084
ICG 363085	ICG 363087	ICG 363090
ICG 363093	ICG 363096	ICG 363097
ICG 363098	ICG 363099	
ICG 365001	ICG 365002	ICG 365003
ICG 365004	ICG 365005	ICG 365006
ICG 365007	ICG 365008	ICG 365009
ICG 365010	ICG 365011	ICG 365012
ICG 365014	ICG 365015	ICG 365016
ICG 365017	ICG 365018	ICG 365019
ICG 365020	ICG 365021	ICG 365022
ICG 365023	ICG 365024	ICG 365025
ICG 365026	ICG 365027	ICG 365028
ICG 365029	ICG 365030	ICG 365031
ICG 365032	ICG 365033	ICG 365034
ICG 365036	ICG 365037	ICG 365038
ICG 365039	ICG 365042	ICG 365043
ICG 365044	ICG 365045	ICG 365046
ICG 365047	ICG 365048	ICG 365049
ICG 365050	ICG 365051	ICG 365052
ICG 365053	ICG 365055	ICG 365056
ICG 365057	ICG 365058	ICG 365059
ICG 365061	ICG 365062	ICG 365063
ICG 365064	ICG 365065	ICG 365066
ICG 365067	ICG 365068	ICG 365069
ICG 365070	ICG 365071	ICG 365072
ICG 365073	ICG 365074	ICG 365075
ICG 365076	ICG 365077	ICG 365079
ICG 365082	ICG 365083	ICG 365084
ICG 365085	ICG 365086	ICG 365087
ICG 365088	ICG 365089	ICG 365090
ICG 365091	ICG 365092	ICG 365093
ICG 365094	ICG 365095	ICG 365096
ICG 365097	ICG 365098	
ICG 365101	ICG 365102	ICG 365103

ICG 365104	ICG 365105	ICG 365106
ICG 365107	ICG 365108	ICG 365109
ICG 365110	ICG 365111	ICG 365113
ICG 365114	ICG 365115	ICG 365116
ICG 365117	ICG 365118	ICG 365119
ICG 365121	ICG 365122	ICG 365123
ICG 365124	ICG 365125	ICG 365126
ICG 365127	ICG 365128	ICG 365129

113 83-ton Open-Hopper Cars

ICG 340420	ICG 340421	ICG 340422
ICG 340423	ICG 340424	ICG 340428
ICG 340429	ICG 340430	ICG 340431
ICG 340432	ICG 340433	ICG 340434
ICG 340435	ICG 340436	ICG 340437
ICG 340438	ICG 340439	ICG 340440
ICG 340441	ICG 340442	ICG 340443
ICG 340444	ICG 340447	ICG 340448
ICG 340449	ICG 340450	ICG 340451
ICG 340452	ICG 340453	ICG 340454
ICG 340455	ICG 340456	ICG 340457
ICG 340458	ICG 340459	ICG 340460
ICG 340461	ICG 340462	ICG 340463
ICG 340464	ICG 340465	ICG 340466
ICG 340467	ICG 340468	ICG 340469
ICG 340470	ICG 340471	ICG 340472
ICG 340473	ICG 340474	ICG 340475
ICG 340476	ICG 340477	ICG 340478
ICG 340479	ICG 340480	ICG 340481
ICG 340482	ICG 340483	ICG 340484
ICG 340485	ICG 340486	ICG 340487
ICG 340488	ICG 340489	ICG 340490
ICG 340491	ICG 340492	ICG 340493
ICG 340494	ICG 340495	ICG 340496
ICG 340497	ICG 340498	ICG 340499

ICG 340555	ICG 340556	ICG 340557
ICG 340558	ICG 340560	ICG 340561
ICG 340563	ICG 340564	ICG 340565
ICG 340566	ICG 340567	ICG 340568
ICG 340569	ICG 340570	ICG 340572
ICG 340573	ICG 340574	ICG 340575
ICG 340576	ICG 340579	ICG 340580
ICG 340581	ICG 340582	ICG 340583
ICG 340584	ICG 340585	ICG 340586
ICG 340587	ICG 340588	ICG 340589
ICG 340590	ICG 340592	ICG 340593
ICG 340594	ICG 340595	ICG 340596
ICG 340597	ICG 340598	

Total 270 cars

50 Miscellaneous Cars

14 General Purpose Flats, numbered as follows:

IC 60687	ICG 101806
IC 60834	ICG 101844
IC 62174	ICG 101857
IC 62185	ICG 101859
IC 62194	ICG 905060
IC 62216	ICG 905067
IC 62257	ICG 905416

15 Woodrack Cars, numbered as follows:

IC 63328	IC 63578	IC 63787
IC 63431	IC 63613	IC 63830
IC 63449	IC 63640	IC 63867
IC 63474	IC 63664	IC 63903
IC 63560	IC 63727	IC 63957

21 Gondolas, numbered as follows:

GMO 10085	IC 99769	IC 240006	ICG 241328
GMO 13240	IC 99832	IC 241316	ICG 244376
	IC 99859	IC 241436	ICG 245523
	IC 99902	IC 241483	
	IC 99904	IC 296036	
	IC 99905	IC 296404	
	IC 99906	IC 296469	
	IC 99913		
	IC 99975		

50 Serviceable

GMO 055407
GMO 055547
GMO 055592
GMO 056703
GMO 056731
GMO 057131
GMO 057500
GMO 057553
GMO 057568
GMO 057595
GMO 057630
GMO 057739
GMO 057758
GMO 057780
GMO 057784
GMO 057831
GMO 057873
GMO 057912
GMO 057983
GMO 057985
GMO 057999
GMO 059502
GMO 059573
GMO 059627
GMO 059650
GMO 059656
GMO 059751
GMO 059788
GMO 059876
GMO 059987
IC 010279
IC 010309
IC 010316
IC 010344
IC 011033
IC 011102
IC 011363
IC 012744
IC 012797
IC 012958
IC 013051
IC 013441
IC 013462
ICG 560260
ICG 560322
ICG 561136
ICG 561202
ICG 561246
ICG 561705
ICG 561710

TOTAL 50 Cars

34 Diesel Locomotives, numbered as follows:

IC	236	SW09R
GMO	508	GP30
GMO	511	GP30
GMO	512	GP30
GMO	524	GP30
GMO	528	GP30
GMO	601	GP35
GMO	607	GP35
GMO	611	GP35
GMO	623	GP35
GMO	630	GP35
GMO	632	GP35
GMO	637	GP35
GMO	640	GP35
ICG	2251	GP30
ICG	2253	GP30
ICG	2265	GP30
ICG	2274	GP30
ICG	2504	GP35
ICG	2505	GP35
ICG	2511	GP35
ICG	2514	GP35
ICG	2515	GP35
ICG	2517	GP35
ICG	2523	GP35
ICG	2527	GP35
ICG	2529	GP35
ICG	2541	GP35
ICG	2543	GP35
IC	7909	GP08
IC	7955	GP08
IC	7978	GP08
IC	8040	GP10
IC	9403	GP18

TOTAL: 34 Units

Sand Cars

ICX	637
ICX	684
ICX	685
ICX	686
ICX	689
ICG	100005

Wheel Cars

ICG	100089
ICG	100364
ICG	100710

Air Dump Cars

ICX	7817
ICX	7818
ICX	7819
ICX	7845
ICX	7855
ICX	7857

SCHEDULE IV

Counties in which personal property
is located (all in Kentucky)

1. Caldwell
2. Christian
3. Crittenden
4. Daviess
5. Graves
6. Grayson
7. Hardin
8. Henderson
9. Hopkins
10. Jefferson
11. LaRue
12. Livingston
13. Lyon
14. Marshall
15. McCracken
16. Meade
17. Muhlenberg
18. Ohio
19. Union
20. Webster
21. Logan